(d) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) Yes, Sir. In their pre-budget memorandums (2004-05) to the Government the Powerloom Development & Export Promotion Council (PDEXCIL) and other powerloom associations had strongly pleaded for removal of CENVAT on fabrics and cotton yarn as well as abolition of additional excise duty. As per the Budget 2004-05 presented in the Parliament on 8.7.04, the duty structure of textiles has been completely revised. The CENVAT Scheme for textiles has been made optional. The mandatory duty will now be imposed only on man-made fibres/yarns (@ 24% on Polyester Filament Yarn including textured yarn and 16% on all other filament yarns and man-made fibres.) Except for these duties other textile goods have been fully exempted if no credit of duties is taken under the CENVAT Credit Rules. For those opting to pay the duty and thereby avail of duty credit, the applicable rates of duty will now be only 4% for pure cotton textile items (*i.e.* yarns, fabrics, garments and made-ups) and 8% for other textile items including yarn, fabrics, garments and made-ups. Besides, Additional Duty on Textiles & Textile Articles (AT&T) and Additional Excise Duty in lieu of Sales Tax for goods of special importance have been abolished.

(c) and (d) Yes, Sir. The Indian Cotton Mills' Federation in its pre-budget Memorandum (2004-05) made various suggestions pertaining to rationalization of excise duty rates for all textiles products, abolition of multiple duties levied on Textiles, reduction in customs duty on raw cotton, man-made fibres and their raw materials, etc.

Financial assistance to revival of textile sector

1611. SHRI N.K. PREMACHANDRAN: Will the Minister of TEXTILES be pleased to state:

(a) whether any proposal received from Government of Kerala seeking financial assistance to revive the textile sector in the State;

(b) if so, details thereof;

(c) whether Government propose to grant assistance to Kerala for the above purpose;

(d) whether Government have extended or propose to extend financial assistance to the State for reviving textile sector; and

(e) if so, details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) to (e) Yes, Sir. In the textile sector the proposal has been received from the Government of Kerala for development of sericulture industry under the following schemes:

(i) Catalytic Development Programme.

(ii) Cluster Development Project to be implemented by Central Silk Board in collaboration with SERIFED Kerala in three clusters *viz*, Chengannur, Agali and Nilambur.

(iii) A project received from the Attappady Hills Area Development Society for the development of sericulture in Attappady block of Palakkad district for implementation during the year 2004-05 and 2005-06.

Central Silk Board has released an amount of Rs. 38.49 lakh and Rs. 82.30 lakh during 2002-03 and 2003-04 respectively to the Kerala Government in respect of above schemes/projects.

Tax benefits at par with SEZs for apparel exporters

1612. SHRI K. RAMA MOHANA RAO: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that the apparel exporters are demanding tax benefits at par with the Special Economic Zones and liberalising of the building rules, to compete with their counterparts in other countries;

(b) whether any representation has been received in this regard; and

(c) if so, the action contemplated thereon?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) to (c) The Apparel Export Promotion Council has made certain suggestions for tax benefits for apparel units in the Domestic Tariff Area (DTA) at par with the Special Economic Zones (SEZs). Such proposals received from the Industry from time to time are examined and the concerns of the Industry are appropriately addressed.